Saskatchewan Provincial Budget 2013-2014

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Deputy Premier and Minister of Finance

2013-14 Budget Address — "Balanced Growth"

March 20, 2013

Check against delivery

Introduction

Mr. Speaker, colleagues and visitors, I am honoured to rise today to deliver our government's 2013-14 Budget for the people and Province of Saskatchewan.

This is our government's sixth budget, and my third as Minister of Finance.

I want to thank my cabinet and caucus colleagues and all of the government officials involved in the enormous task of preparing this budget.

I also want to thank the groups and individuals who provided recommendations and suggestions on what should be in this budget.

I cannot guarantee that you will see everything you asked for, but I can guarantee that you were heard and your ideas were appreciated.

And – I want to thank my family.

Mr. Speaker, for years, Saskatchewan was Canada's best kept secret.

Well, the secret is out.

This year, thousands of Canadians will discover the Saskatchewan Advantage first hand.

In fact, next month, our province will host the Canadian music awards, the Junos, in Regina and Moose Jaw

That event will be followed by the Memorial Cup junior hockey championship in Saskatoon this May.

And, of course, the Grey Cup – our national party – will be held in Regina in November.

All of us in Saskatchewan are confident the Roughriders will represent the West in this year's Grey Cup.

Will they win it? We can't say for sure.

But there is one thing we do know.

With music fans, hockey fans and football fans set to converge on Saskatchewan, we know the Saskatchewan Liquor and Gaming Authority will have a good year.

Mr. Speaker, these events will attract thousands of visitors.

But in the new Saskatchewan, people aren't just coming to visit.

They're coming to stay.

They are coming to build a career... and a future,..and a family,... and a life,...

And they are coming in numbers that we have not seen since the earliest days of our province.

Just this morning, we learned that Saskatchewan has grown again.

1,089,807 of us now call Saskatchewan home.

That's more people living here than ever before.

And it's an increase of 21,000 in the past year alone and 82,000 since the start of 2008.

Last fall, our Premier released the Saskatchewan Plan for Growth and set a bold goal...

1.2 million people living in Saskatchewan by 2020.

This is a goal that would have seemed unimaginable a decade ago.

Today, we are right on track to meet that goal.

The Growth Plan sets an objective of 60,000 more people working in Saskatchewan by 2020.

We are on track to meet that goal as well.

Employment last month was up more than 24,000 from a year ago. Our province's strong economy and our entrepreneurs are creating new jobs.

And our unemployment rate is just 3.8 per cent – by far the lowest in Canada.

Mr. Speaker, the Growth Plan is working.

But the Growth Plan is not about growth for the sake of growth.

It's about improving the quality of life for all Saskatchewan people.

It's about balance.

Not only balancing the books,... but also balancing the priorities of Saskatchewan people.

Not only continuing to grow, but also meeting the challenges of growth.

Not only providing opportunity,... but also ensuring we protect those in our province who need our help.

Our plan is about balance, Mr. Speaker,.... balanced growth.

And, the first thing I want to tell you about this budget is ...

It is a balanced budget.

It is balanced in the General Revenue Fund.

It is balanced in the Summary Financial Statements.

And it is balanced in other ways as well.

It is a budget that balances the need to control spending with the need to make important investments in key areas.

Support for Vulnerable People

One of those key areas is helping people who need it most.

Today, we are keeping our election promise by once again increasing support for low income seniors under the Seniors Income Plan to $250 a month – nearly triple what it was when we took office.

The Growth Plan sets a goal of making Saskatchewan the best province to live for people with disabilities.

This budget takes a number of important steps toward meeting that objective.

We will increase support by $50 per month for individuals and $60 per month for couples under the Saskatchewan Assured Income for Disability program.

This budget provides a $10.2 million increase for community-based organizations that help those with disabilities - part of the $20 million increase for organizations that provide care 24 hours a day, seven days a week for some of our most vulnerable citizens.

And we are increasing transit assistance for persons with disabilities by 10 per cent, including a doubling of capital funding for paratransit buses.

Mr. Speaker, there is another group of people in our province that need more help.

A few weeks ago, we heard that violence against women in Saskatchewan is double the national average.

These numbers are disturbing – because they are not just numbers.

They represent real women and they represent real lives and families torn apart by the devastation of domestic violence.

Mr. Speaker, all of us pray for the day that violence against women no longer exists.

But until that day comes, we must do more to provide safe haven for those women and their children fleeing abusive relationships.

Today, we are increasing operational funding for all women's shelters in Saskatchewan, including facilities in Regina and Prince Albert that have been expanded.

Mr. Speaker, in 1989, a dedicated group of volunteers in Swift Current partnered with the province to open a new transition house in that city.

Regrettably, that was the last new transition house announced in our province,...

Until today.

Our government, through Saskatchewan Housing Corporation, will partner with the federal government and the local community to cover the $1.3 million construction cost of a new transition house in Melfort. Our government will provide operational support, as well.

I would like to thank and congratulate all the community volunteers in Melfort whose efforts have made this much needed project a reality.

Spending Responsibly

Mr. Speaker, as I mentioned, this budget is a balanced budget.

At a time when most other jurisdictions continue to struggle with large deficits and mounting debt, Saskatchewan's finances remain sound.

That said, it's no secret that resource revenues are down.

So in order to achieve that balance, our government has to control spending.

This budget does just that — with a modest overall spending increase of just 3.1 percent.

Health

Well over 40 per cent of each year's provincial budget goes toward health care,... so if we are to control spending, we need to control health spending,...

While still providing the best possible quality of care that puts patients first.

We saw a great example of that just a few weeks ago when, through the leadership of Premier Ghiz and our Premier, the provinces got together to cooperate on the purchase of six generic drugs.

This cooperation will save our health system 10 million dollars a year, while still providing the prescription drugs that patients need.
It's just one example.

Those working in our health system continue to find new and innovative ways to manage while ensuring quality care is the highest priority. We thank them for their efforts.

Today, there are more doctors practicing in Saskatchewan.

There are more nurses working in Saskatchewan.

Surgical wait times are much shorter than they were just a few years ago.

These results prove that quality care is not just about spending more – it's about spending smarter.

Health spending is up 3.5 per cent in this budget to a total of $4.8 billion.

Part of that increase is to address demographic pressures.

Over the past six years, health spending has risen under our government by more than 41 percent.

And, since 2007, our government has made tremendous progress in reducing surgical wait times in Saskatchewan.

We also recognize that more work needs to be done.

Our government has set a target of reducing wait times to no more than three months.

To help meet that target, this budget includes $10 million in additional funding for the Saskatchewan Surgical Initiative, boosting the total so far to more than $70 million.

Including the Surgical Initiative, this budget provides a $131.5 million increase — four and a half percent more overall compared to last year — to our province's Regional Health Authorities for operating funding.

This boosts Health Authority funding to more than $3.0 billion in 2013-14.

Health Authority increases include:

- nearly $45 million to cover operating increases and cost increases to drugs and other medical supplies;

- $29 million to help address pressures attributable to population growth;

- $4.3 million to establish Collaborative Emergency Centres and enhance other innovations to improve primary health care; and

- $2 million for an innovative home-care services pilot project for seniors in Regina.

This budget also provides a net increase of nearly $12 million– up 8.6 percent from last year – to the Saskatchewan Cancer Agency.

Funding for that important agency has been increased by more than 90 per cent over the past six years.

This budget also includes an additional $1.5 million to expand the rural doctor locum pool by an additional 4 to 5 doctors, and $250,000 for a rural physician recruitment incentive program to attract and retain more doctors in rural Saskatchewan.

This budget also provides significant funding — totaling nearly $164 million — for health care capital investments including:

- $86.5 million to begin or continue construction of 11 long-term care facilities; and

- $50 million for the Moose Jaw Union Hospital replacement.

And, this budget provides $350,000 more — $400,000 in total — to expand Alzheimer's "First Link" services. This is a seven-fold increase compared to last year.

Mr. Speaker, as you recall, last year I had the honor of introducing the STARS air ambulance service in Saskatchewan. Since that time, STARS has responded to 220 calls from people in our province.

In fact, last year in my constituency, the Mayor of Canora's son was airlifted from Yorkton to Regina after sustaining critical injuries in a motor vehicle accident. Today, this young man is healthy and very appreciative that this service is available to rural Saskatchewan.

This year our government will again provide $10.5 million in funding to STARS, matching the amount provided last year, to help the residents of our province when they need it most.

Education

Mr. Speaker, our government is also providing additional support to Saskatchewan's elementary, high school, and post-secondary students.

PreK-12 operating funding is up 2.3 percent in this budget compared to last year, a total of nearly $1.8 billion.

Funding includes:

- a boost of $17 million to address enrollment increases; as well as $2.4 million more, for a total of $3.5 million, to cover rising enrollment at independent schools.

- more than $20 million — an increase of nearly $600,000 — to support 15 new pre-Kindergarten programs, for a total of 301 pre-K programs;

And this budget includes nearly $120 million for school capital projects — including more than $18 million for the next phase of capital construction in Hudson Bay, Leader, and Martensville. This also includes nearly $2 million to begin the planning for new projects in Langenburg and Gravelbourg.

Education Property Tax

Mr. Speaker, I need to also say a few words about how we fund education in this province.

As you know, a large portion of K to 12 funding comes from the education property tax.

So here again, we need to find balance.

We need to balance the need to properly fund our K to 12 system with the need to keep taxes as low and affordable as possible.

Just a few years ago, this system was badly out of balance.

Education taxes were far too high, and there were property tax revolts throughout the province.

In 2009, our government fulfilled our campaign promise to fix the broken education property tax system,...

And in doing so,... we delivered the largest property tax reduction in Saskatchewan history.

Now, four years later, we had another important decision to make.

2013 is a re-assessment year, and as a result of our strong and growing economy, we have seen property values in Saskatchewan increase by 67 per cent.

While this is great news for property owners,... it also means those same property owners would have faced dramatic tax increases if we had left the tax rates at current levels.

Our government wasn't going to let that happen... so in order to offset the impact of the huge increase in property values...

Today we are lowering the education property tax mill rates to keep the impact of re-assessment revenue neutral overall.

The new mill rates will be 2.67 mills for agricultural land, down from 3.91 mills, and 5.03 mills for residential property, down from 9.51 mills.

We will go from three tiers of mill rates on commercial property to a single rate of 8.28 mills.

And we are creating a new category of resource property, with a rate of 11.04 mills.

Of course, some people will still see property tax increases, while others will see their taxes decrease, based on the relative assessed values of their properties.

Overall, the impact of the reassessment will be revenue neutral,...
But as the Premier told the SARM convention last week, this may need to change in the future as we work to achieve the right balance between education funding and affordable taxes.

Post-Secondary Education

This budget also provides the Ministry of Advanced Education with nearly $788 million in annual funding — an increase of nearly nine percent compared to last year.

Since 2007, our government has increased funding for post secondary education by more than 40 per cent.

This year's funding to Advanced Education includes:

- more than $448 million in base operating funding for Saskatchewan's universities, and federated and affiliated colleges — an increase of 2.1 percent;

- nearly $150 million in operating funding for Saskatchewan's technical institutes — a 3.1 percent increase; and

- over $27 million in operating funding for regional colleges — an increase of 2.1 per cent.

Our government is also working to make education more affordable for Saskatchewan students.

We introduced the Saskatchewan Advantage Grant for Education Savings, to help parents save for their children's education.

We introduced the new Saskatchewan Advantage Scholarship that will lower tuition costs for all Saskatchewan high school grads by $2000 dollars over four years.

And, if students stay in Saskatchewan after Graduation – which more of our young people are now choosing to do – they can get most, if not all, of their tuition costs back to a maximum of $20,000 through the Graduate Retention Program.

We are providing almost $20 million more to advance these three initiatives and other direct student supports forward this year. This will boost total funding to more than $117 million, including:

- more than $63.9 million for the Graduate Retention Program, an increase of over $12 million;

- $34.5 million for the Student Aid Fund

- more than $7 million for the Saskatchewan Advantage Scholarship, an increase of nearly $3 million;

- over $6 million to establish the Saskatchewan Advantage Grant for Education Savings.

- And $5 million for a number of other provincially funded scholarships.

This budget also provides more than $25 million for post-secondary capital, including:

- Over $16 million for maintenance capital;

- $1 million to support the planning and design development phases of the Trades and Technology Centre project at Parkland Regional College in Yorkton;

- $4 million for continued construction of the new Southeast Regional College in Weyburn.

In total this budget includes over $16 million in funding that will go toward the Health Sciences facility's capital and operating costs, at the University of Saskatchewan.

In addition, a $10 million grant through the Saskatchewan Housing Corporation will be invested in a new student residence at the University of Regina.

This budget also provides significant funding to help train Saskatchewan's future doctors and nurses, including:

- $17.8 million to support post-graduate physician training seats, an increase of $2 million;

- More than $14 million — an increase of over $2 million — to continue the 690 Registered Nurse training seat expansion; and

- $21.5 million to continue the implementation of 100 medical undergraduate and 120 medical residency seats, an increase of $2.9 million from 2012-13.

Our government is also providing an increase of more than $1.5 million, compared to last year's budget — over $21 million in total — for the Saskatchewan Apprenticeship and Trade Certification Commission to purchase an additional 300 training seats.

$1.5 million more is being provided to begin to eliminate the waitlist for Adult Basic Education.

This budget also provides increases to support the Plan for Growth commitment to build on promising programs that assist First Nations and Métis students to pursue jobs and educational opportunities.

Work Readiness-Employment Development is receiving a $1.5 million increase — boosting annual funding to nearly $25 million — in part to accelerate essential skills training and to increase employment opportunities for First Nations and Métis people through the Northern Career Quest program, the Saskatchewan Industrial Trades and Employment Partnership, and the In-Roads to Agriculture Careers program.

We are also providing a half-million-dollar increase overall for the Skills Training Allocation, including $150,000 for the Aircraft Maintenance Engineer Training Program at the Saskatchewan Indian Institute of Technology.

In addition, the Provincial Training Allowance is receiving a $900,000 increase — bringing total annual funding to more than $30 million.

As we see more people come to Saskatchewan from outside our borders - helping our province grow and our work force expand - it is important we help our new neighbours get a good start.

That's why an increase of $1.5 million — more than $9 million in total — is being provided for immigrant settlement support programming.

And our government will continue to advocate for an expansion of the Saskatchewan Immigrant Nominee Program, which helps bring skilled immigrant workers and their families from around the world to our province.

Aboriginal Engagement

A highly skilled, well-trained workforce is key to achieving our goal of 600,000 people working in Saskatchewan by 2020.

As we work to build a skilled labour force, we're continuing our focus on one of Saskatchewan's distinct advantages — a young and growing Aboriginal population.

We are stepping up efforts to engage Aboriginal people in Saskatchewan's economy and labour force.

We will ensure that, in the coming years, First Nations and Métis people have every opportunity to become a major component of the growing Saskatchewan workforce and economy.

To succeed, we need to enhance education and employment outcomes for First Nations and Métis people.

That means more support for Aboriginal students and training programs.

It means more support for initiatives recommended by the Joint Task Force on Improving Education and Employment outcomes, which our government has undertaken in partnership with the Federation of Saskatchewan Indian Nations.

In this budget, our government has dedicated $3 million in new funding for initiatives to respond to the Joint Task Force's recommendations, which will be made public in the weeks ahead.

Mr. Speaker, this budget provides $184.8 million, an increase of $10.8 million or 6.2 per cent from last year's budget, for targeted program funding from our government's ministries for initiatives that benefit First Nations and Métis people. This support is over and above our government's spending that benefits all Saskatchewan people.

Moving forward, our government's focus will be more funding for education and training programs with a proven record of success, as well as the funding of new programs that are clearly dedicated to achieving results.

One of the real success stories in terms of northern and aboriginal employment has been our province's uranium industry.

Close to half of those employed in Saskatchewan's uranium industry are aboriginal.

However, in recent years, uranium mine expansion has been discouraged, due to our royalty regime and more attractive taxation policies in other uranium producing countries.

In this budget, we are moving to address that barrier to growth in the same way the government introduced a successful new potash royalty structure a few years ago that resulted in major expansion and employment opportunities.

Today, our government is looking to duplicate that success through changes to modernize our uranium royalty structure which we believe will lead to new expansions, new investment and new jobs in the north, particularly for First Nations and Métis people.

Children and Youth Agenda

Mr. Speaker, our government continues to move forward on the Children and Youth Agenda.

This budget includes a total increase of $12.1 million, for the priorities of the Children and Youth agenda, including the child welfare review, and increases for programs addressing fetal alcohol syndrome and autism. This brings support from all areas of government to these most vital initiatives to over $290 million.

We are providing an increase of almost $6.7 million for the organizations that provide Child and Family Services.

Affordable Housing

In the last five years, there were 33,000 new housing starts in Saskatchewan —65 percent more than the number built during the previous five years.

Last year alone, there were nearly 10,000 housing starts in our province – the largest number since the 1970s.

As well, in 2012, rental starts hit 1,072 – this is more than the rental starts in the years 2002 t0 2009 combined.

But we need to do more in order to meet the housing demands of a growing province.

This budget continues our government's commitment to invest $344 million in 12,600 new affordable housing units by 2016.

This year's commitment includes:

- a $10 million investment in the proposed student residence at the University of Regina;

- construction of 1,300 new rentals under the Rental Construction Incentive, with funding of $6.0 million;

- development of 240 new homeownership units through the Affordable Home Ownership Program, with funding of $1.2 million;

- support for 70 Secondary Suites, with funding of $1.0 million;

- construction of 40 new homes through Habitat for Humanity - by doubling the current funding from $1 million to $2 million;

- repairs to 275 existing affordable housing units to keep them viable with $3.2 million in funding through the Saskatchewan Repair Program; and

- construction of 140 new government-subsidized homes with $5.0 million under the federal/provincial cost-shared Rental Development and Capital Rent Subsidy Programs.

This budget also provides nearly $4 million more to cover increased use of the Saskatchewan Rental Housing Supplement.

Safety and Security

Food safety continues to be a priority for our government.

This budget provides $1.5 million — a $250,000 increase — to ensure adequate resources for provincial meat inspection, as well as $3 million for the first year of Saskatchewan's seven-year, $15 million commitment to the Global Institute for Food Security.

And in the area of water security, we've established the Water Security Agency — bringing together government's core water management responsibilities — and we will be increasing funding to the Rural Water Control Program by $500,000 to $1.2 million.

Arts and Culture

Mr. Speaker, our growing economy allows us to invest in the arts and creative industries.

This budget provides a five percent increase to the Saskatchewan Arts Board — bringing annual funding for that organization to $6.8 million in support of funded arts organizations.

This budget also provides $5 million to the new Creative Saskatchewan's Investment Program to support growth and development in the areas of music and sound recording, film and television, digital media, visual arts, publishing, crafts, theatre and dance.

We are providing $100,000 in new funding to match the City of Regina's commitment to support operations at the RCMP Heritage Centre.

And, this budget provides $50,000 in new funding to support the development of a Military History project — to help promote and safeguard Saskatchewan's proud military heritage.

Pooled Registered Pension Plans

Mr. Speaker, another way to improve the quality of life for Saskatchewan people is to provide more options for their retirement income.

Saskatchewan has been supportive of the federal government's efforts to strengthen Canada's retirement income system through the introduction of Pooled Registered Pension Plans or PRPPs.

In order to make PRPPs available to all Saskatchewan employees and the self-employed, our government will introduce *The Pooled Registered Pension Plans Act* in 2013.

Saskatchewan's PRPP legislation will mirror federal legislation, with modifications as necessary to align with existing provincial pension rules.

As with the federal legislation, PRPPs will be a voluntary option for Saskatchewan employers, allowing them to choose whether or not to offer a PRPP to their employees.

Our Government will also be introducing legislation that will create the opportunity for the Saskatchewan Pension Plan to become a PRPP provider.

Infrastructure

One of the biggest challenges facing a growing province is addressing its infrastructure needs.

Our government is meeting that challenge.

We have invested $4.9 billion in infrastructure since 2008, and with an additional $847.5 million in this budget, we're investing close to $5.8 billion — close to double what was invested from 2002 to 2007.

The Growth Plan calls for an additional $2.5 billion investment in infrastructure over the next three years.

We are on track.

This year's capital plan invests $847.5 million – an increase of 7.6 percent or $59.8 million over last year - for schools, post secondary facilities, hospitals and long term care facilities, highways and roads, municipal infrastructure, parks, and other provincial government buildings and facilities.

Highways

Mr. Speaker, I'm pleased to report that we're ahead of schedule to meet our government's commitment to invest $2.2 billion in highways and transportation infrastructure over a four-year period.

This budget includes:

- more than $168 million to repave at least 280 kilometres of highways as well as upgrade an additional 75 kilometres to a higher standard;

- nearly $142 million for preventative maintenance on provincial highways and bridges;

- more than $63 million for economic corridors — projects such as the Regina west bypass, the Estevan bypass; the Highway 10 passing lanes, and completion of the Highway 11 twinning initiative;

- more than $49 million for bridges and culverts, including over $14 million for the St. Louis Bridge, near Prince Albert;

- more than $49 million for winter maintenance, as well as safety maintenance activities such as mowing, drainage, and pavement marking and illumination; and

- more than $33 million for urban and rural municipalities to help improve and maintain their road systems.

Schools

Our government is also extremely proud of our record when it comes to building schools.

We have funded more than 40 major school projects and hundreds of smaller renovation and repair projects since 2007 — a total capital investment of close to $600 million.

School enrollments are continuing to grow in most of Saskatchewan for the first time in many years.

So we need even more new schools, and we need to look at innovative ways to get those schools built and opened as soon as possible.

If we only use the old funding formulas to build new schools, we simply won't catch up.

That's why we're moving toward an innovative approach in the construction of groups of some of our new schools, potentially as P3 projects under SaskBuilds.

Saskatchewan is growing like it never has before.

SaskBuilds is all about bringing innovation to the infrastructure needs of Saskatchewan, whether it's schools, highways or hospitals.

We will look at all of the viable options to achieving our infrastructure needs, and P3s—public-private partnerships—will be an important option as we move forward.

SaskBuilds

This budget is providing $6 million to SaskBuilds to review the financial viability of the following P3 opportunities:

- the Saskatchewan Hospital in North Battleford;

- Regina's southeast bypass infrastructure; and

- SaskBuilds will be examining the financial viability of constructing a number of new schools through a bundling approach.

Mr. Speaker, this budget also provides clear direction for the future use of the Growth and Financial Security Fund.

Beginning this year, the fund will retain a "Security" portion of just over $500 million for unforeseen events outside of government's control, as outlined by the Premier in the Plan for Growth.

The remainder of the fund – this year about $182 million – will be designated as the "Growth" portion of the fund, for future infrastructure projects and debt reduction.

The money in the fund will not be allocated to any specific projects until the impact of the potential spring melt is known ... this money will be available to cover flooding costs, if necessary.

Municipal Funding

Our commitment to partnering with municipalities continues.

This budget provides $362 million in direct provincial support to municipalities, a 5.7 per cent increase from last year.

Importantly, it's a 49.6 per cent increase from 2007-08 – that's just over $120 million in additional support.

This includes just over $264 million for municipal revenue sharing – equal to the revenue from one full point of the PST.

That's an increase of more than 11 percent compared to last year, or $27 million.

Since 2007-08, revenue sharing to municipalities has more than doubled.

In this spring session, Mr. Speaker, our government will also introduce amendments to the Planning and Development Act to help us plan in various areas of our province that are growing quickly.

This budget has $250,000 in new funding for Regional Planning Authorities which will help cities and nearby rural municipalities work together so that all Saskatchewan people, in cities, surrounding towns, villages and on our farms, continue to benefit from growth.

In addition, this year, funding for the Municipal Roads for the Economy Program is increasing by $2 million, to $25.5 million, to help build and repair the roads that sustain our rural economy.

Exports and Innovation

Saskatchewan is well placed because we produce what the world needs — food, fuel, and fertilizer.

2012 was a record year for Saskatchewan in terms of exporting international goods.

And a renaissance is underway in the agriculture industry — historically, one of the pillars of Saskatchewan's economy.

The Growth Plan calls for a doubling of the value of exports by 2020, and for a 50 percent boost in agricultural and food exports and an increase in crop production by 10 million tonnes.

This budget includes support for international engagement — trade missions, market development, and advocacy.

With the goal of boosting exports and building competitiveness, our government is providing Innovation Saskatchewan with annual funding of over $28 million — more than a three-fold increase compared to the previous year.

That funding includes a $19 million increase — for a total of more than $22 million — for the nuclear research and development strategy.

Funding for this strategy includes over $16 million for a Cyclotron — with the goal of producing medical isotopes in Saskatchewan — and $5 million for the Sylvia Fedoruk Canadian Centre for Nuclear Innovation at the University of Saskatchewan.

We are also providing nearly $1.9 million more this year — for a total in excess of $3.3 million — to Innovation Saskatchewan for the Saskatchewan Advantage Innovation Fund. This includes $1 million for enhanced oil recovery, $890,000 for SpringBoard West Innovations, and $500,000 for the International Minerals Innovation Institute.

As exemplified by the Cyclotron and our nuclear strategy overall, we're looking for innovation to accompany new investment.

Agriculture

Mr. Speaker, to help ensure our ongoing competitiveness in the agricultural sector, this budget provides nearly $407 million to the Ministry of Agriculture.

That includes more than $198 million — a $21 million increase — to fund Crop Insurance, which includes record high coverage levels of $194 per acre, on average.

Mr. Speaker, this budget's allocation to Crop Insurance is the largest ever.

Agriculture funding also includes more than $70 million for strategic initiatives through the federal-provincial Growing Forward 2 framework, an increase of $25 million over the previous framework.

This budget will provide a record high $27.7 million for agriculture research, an increase of over $7 million. This includes $3 million to fund the Global Institute for Food Security.

For the first time ever, the budget includes $1 million for irrigation bridge rehabilitation to support the long-term growth of irrigation in the province.

Fiscal Responsibility

Mr. Speaker, this budget is about growth, and this budget is about balance.

In recent years, deficits and debt have once again become the norm across Canada and around the world.

But during this time, there is one place that chose not to go down that road.

There is one province that has balanced the budget every year, year after year.

We have also reduced the debt, and we remain committed to reducing the debt a further $400 million by March 31, 2017.

This is not simply an accounting exercise.

It means real savings for Saskatchewan people.

Reducing the debt by $3 billion dollars since our government took office has resulted in accumulated savings of $600 million in interest costs.

$600 million dollars – money that in turn was used to build roads and schools,... to lower taxes,... to increase support for low income individuals,... and to invest in training and education for our young people.

That's why balance is important.

Now to get there, you may have to make some difficult choices.

You have to control spending,... and that means some groups in our province will have to get by with a little smaller funding increase than they might have hoped for.

Sometimes, decisions have to be delayed.

Our government remains committed to reducing the business tax rate as outlined in the Plan for Growth.

But that reduction will not start this year.

It will start when it is affordable and sustainable, within a balanced budget.

This budget will also raise the tobacco tax and liquor mark-ups.

Cigarette taxes will increase by four cents a cigarette, with the same increases per gram on other tobacco products, effective midnight tonight,...

And liquor mark-ups will increase about three per cent, effective April 1, 2013

In order to achieve balance, we continue to reduce the size of government.

We are on track to achieve our four-year target of reducing the public service workforce by 15 per cent - more than 1,900 positions — including 600 positions in 2013-14.

This will result in a cumulative annualized savings of $198 million over four years.

Conclusion

Mr. Speaker, this budget comes at a remarkable time in our province's history.

Our province is growing at its fastest pace in nearly 100 years.

Our economy is leading the nation and creating jobs at a record pace.

Saskatchewan is the place to be.

At the same time, it is important that we meet the challenges of a growing province.

We need to invest in infrastructure,... and we are.

We need to shorten surgical wait times,... and we are.

We need to support our students and create an educated, well-trained work force,... and we are.

We need to do more for people with disabilities,... for people with lower incomes...

And we are.

We need to ensure better training and more opportunities for First Nations and Métis,... and we are.

We need to control spending... and we are.

We need to balance the priorities of Saskatchewan people...

We need to balance the opportunities and challenges of growth,...

We need to balance the budget,...and we are.

We know there is more to do, Mr. Speaker ... however,

I am pleased to table a budget that does all of these things,... and more...

And that keeps Saskatchewan moving forward.